

APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

NEW PRIORITY DATE:

Date of filing in State Engineer's Office. DEC-05-1995 JAN 19 2005

Returned to applicant for correction.....

Corrected application filed.....

Map filed. DEC 05 1995The applicant Kaiser Sierra Micromills, LLC6177 Sunol Boulevard, of Pleasanton,
Street and No. or P.O. Box No. City or TownCalifornia 94566-7769, hereby make...Application for permission to appropriate the public
State and Zip Code No.waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a
copartnership or association, give names of members.) wholly owned subsidiary of KaiserAluminum & Chemical Corporation, a Delaware Corporation1. The source of the proposed appropriation is Underground Well
Name of stream, lake, spring, underground or other source2. The amount of water applied for is 0.5 second-feet
One second-foot equals 448.83 gals. per min.

(a) If stored in reservoir give number of acre-feet.....

3. The water to be used for Quasi-Municipal (Industrial)
Irrigation, power, mining, manufacturing, domestic, or other use. Must limit to one use.

4. If use is for:

(a) Irrigation, state number of acres to be irrigated.....

(b) Stockwater, state number and kinds of animals to be watered.....

(c) Other use (describe fully under No. 12. "Remarks").....

(d) Power:

(1) Horsepower developed.....

(2) Point of return of water to stream.....

5. The water is to be diverted from its source at the following point within the NE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 32,
Describe as being within a 40-acre subdivision of public
T20N, R22E, MDM or at a point from which the East Quarter Corner of said
survey, and by course and distance to a section corner. If on unsurveyed land, it should be so stated.
Section 32 bears N 15° 26' E a distance of 824.3 feet.6. Place of use NE $\frac{1}{4}$ SE $\frac{1}{4}$ and portions of NW $\frac{1}{4}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$ and SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 32, T20N,
Describe by legal subdivision. If on unsurveyed land, it should be so stated.
R22E, MDM7. Use will begin about January 1 and end about December 31, of each year.
Month and Day Month and Day8. Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and
specifications of your diversion or storage works.) Drill well, seal top 50 feet, install pump,
State manner in which water is to be diverted, i.e. diversion structure, ditches and
motor, storage tank and pipeline for Industrial Plant.
flumes, drilled well with pump and motor, etc.

9. Estimated cost of works.....\$200,000.00

10. Estimated time required to construct works.....One Year

If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use.....Three Years

12. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use:

This water is to serve a 45 million dollar aluminum can stock micromill process plant. Water to be used for domestic uses, manufacturing processing and fire protection. The estimated annual use is 140 acre feet. This plant will employ 65 people.

By.....s/Richard W. Arden Agent

950 Industrial Way

Sparks, Nevada 89431

Compared.....cl/nsr.....cl/cms

Protested 02/16/96, by TCID

Protest Overruled 6/11/96 Ruling No. 4358

APPROVAL.....OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of water begins, or before the Proof of Completion of Work is filed. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

(CONTINUED ON PAGE 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed.....0.5.....cubic feet per second....., but not to exceed 140.0 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before.....June 28, 1998

Proof of completion of work shall be filed before.....July 28, 1998

Application of water to beneficial use shall be filed on or before.....June 28, 2001

Proof of the application of water to beneficial use shall be filed on or before.....July 28, 2001

Map in support of proof of beneficial use shall be filed on or before.....N/A

Completion of work filed.....OCT 16 1998

Proof of beneficial use filed.....

Cultural map filed.....

Certificate No.....Issued.....

IN TESTIMONY WHEREOF, I, R. MICHAEL TURNIPSEED, P.E.,
State Engineer of Nevada, have hereunto set my hand and the seal of my

office, this.....28th.....day of.....June.....

A.D.....96.....

[Signature]
State Engineer

CANCELLED JAN 06 2005 BECAUSE OF FAILURE OF APPLICANT TO COMPLY WITH THE PROVISIONS OF PERMIT

Can. Rescinded 2-18-05

(PERMIT TERMS CONTINUED)

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

This permit is issued under the provisions of NRS 534.120(2) as a preferred use.

Monthly records shall be kept of the amount of water pumped from this well and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.